

## **Investor Statement in Support of Improved Oversight of National Express Human Capital Strategy**

As investors in National Express Group plc we believe that the Company's human capital practices are important proxies for quality of management and indicators of its long-term corporate sustainability strategy. Transparency and good reporting of human capital practices can reveal both near and long-term financial, reputational, political and other risks to the Company's long-term success.

To signal the need for improved oversight, as outlined in the recommendations below, we will vote against the National Express report and accounts.

### **Recommendations**

1. The Board of Directors should commit to expand the responsibility of the Board's existing Safety and Environment Committee to provide oversight of the National Express human capital strategy.
2. The Safety and Environment Committee should be renamed to reflect its expanded responsibility for overseeing the Company's human capital strategy.
3. The Board should commit to report annually, as part of the annual directors' report, concerning implementation of this strategy, prepared at reasonable cost and omitting proprietary information. Such a report shall be based on means of assessment determined by the Board, subject to independent verification, and shall include a discussion of any deficiencies in the company's human capital practices that could result in non-compliance with the ILO Declaration on Fundamental Principles and Rights at Work, perceptions by important stakeholders of non-compliance with the ILO Declaration, or avoidable labour conflict.



### **About LAPFF**

The Local Authority Pension Fund Forum (LAPFF, [www.lapfforum.org](http://www.lapfforum.org)), which was set up in 1991, is a voluntary association of 57 public sector pension funds based in the UK. It exists 'to promote the long-term investment interests of local authority pension funds, and to maximise their influence as shareholders to promote corporate responsibility and high standards of corporate governance amongst the companies in which they invest.' The Forum's members currently have combined assets of over £115 billion. PIRC is the Research and Engagement partner of the Forum.

### **About Trade Union Share owners**

Trade Union Share Owners is a group of union investors with over £1 billion in assets who have come together to undertake voting and engagement at investee companies in accordance with trade union values. It currently comprises the staff pension funds of the TUC, UNISON and Unite. Its voting guidelines are available at:

[http://www.tuc.org.uk/tucfiles/557/TUC Trade Union Voting and Engagement Guidelines March 2013.pdf](http://www.tuc.org.uk/tucfiles/557/TUC_Trade_Union_Voting_and_Engagement_Guidelines_March_2013.pdf)